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# THE ANDHRA PRADESH GAZETTE

PART-I EXTRAORDINARY

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HYDERABAD, MONDAY, SEPTEMBER 7, 2009.

## NOTIFICATIONS BY GOVERNMENT

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### AGRICULTURE & CO-OPERATION DEPARTMENT

(F.P.II)

NOTIFYING RED CHILLY CROP (IRRIGATED/UNIRRIGATED) IN GUNTUR DISTRICT UNDER WEATHER BASED CROP INSURANCE SCHEME (WBCIS) ON PILOT BASIS DURING KHARIF 2009 SEASON.

[G.O.Ms. No. 230, Agriculture & Co-operation ( F.P.II), 1st September, 2009.]

**“ The Red Chilly Crop (irrigated/unirrigated) in Guntur District is here by notified under “Weather Based Crop Insurance Scheme” on Pilot basis during Kharif 2009 season”**

**The Main features/ Operational modalities of the WBCIS on Pilot basis are that:**

**1. CROP NOTIFIED:**

The crop selected is “Red chilly” ( Irrigated, Un-irrigated ) under WBCIS . Red Chilly (Irrigated) and Red Chilly (Unirrigated) crops are de-notified in respect of Guntur district alone under NAIS for Kharif 2009 season.

**2. REFERENCE WEATHER STATION:**

List of Reference Unit Areas (RUA) / Mandals notified along with a list of corresponding Reference Weather Stations (RWS) and Back up Weather Stations (BWS) is at Annexure-I.

**3. AREA APPROACH:**

Reference unit areas are linked to specific reference weather stations and the reference unit areas are the Geographical areas situated around the reference weather stations, which is deemed to be reflective of the Reference Weather Stations’ for weather data. To the extent feasible, such Reference Unit-Area shall be restricted to 15-25km radius around the Reference Weather Station in case of Rainfall and Relative humidity.

**4. FARMERS ELIGIBLE FOR COVERAGE:**

All the Farmers (including sharecroppers and tenant Farmers ) growing the Notified Crop i.e., Red Chilly either Irrigated or Unirrigated in any of the Reference Unit Areas shall be eligible for coverage.

The Scheme shall be:

**Compulsory:** For all Loanee Farmers i.e. those who have sanctioned Credit Limit from Financial Institutions (Co.op Banks, Commercial Banks, RRB's etc.) for the Notified Crop in a Reference Unit Area.

**Voluntary:** For Non –Loanee Farmers ie. those who do not have Sanctioned Credit Limit from any Financial Institutions for the Notified Crop in a Reference Unit Area.

**5. PERILS COVERED:**

Following are the weather perils, which are deemed to cause "Adverse Weather Incidence", leading to crop loss, shall be covered under the Scheme:

(i) Deficit Rainfall (ii) Excess Rain fall (iii) Relative Humidity

**6. RISK PERIOD :** Risk period commences from 16<sup>th</sup> September 2009 and the coverage of critical stages of crop growth periods are given below and in Annexure II A & II B

S.No	Name of the cover	Stage of crop growth	Period: From - to --
1	Deficit Rainfall (mm)	Flowering	16 <sup>th</sup> September, 2009 to 31 <sup>st</sup> October, 2009
2	Deficit Rainfall (mm)	Fruit Development	1 <sup>st</sup> November, 2009 to 31 <sup>st</sup> January, 2010
3	Excess Rainfall (mm)	Flowering	16 <sup>th</sup> October, 2009 to 30 <sup>th</sup> November, 2009
4	Excess Rainfall (mm)	Fruit Development	15 <sup>th</sup> December, 2009 to 28 <sup>th</sup> February, 2010
5	Relative Humidity (%)		1 <sup>st</sup> November, 2009 to 31 <sup>st</sup> December, 2009

**7. RISK ACCEPTANCE PERIOD:**

From the date of notification till 15<sup>th</sup> September, 2009

**8. SEASONALITY DISCIPLINE:** Seasonality Discipline and the broad cut-off dates are indicated below:

SL No.	ACTIVITY	For Loanee Farmers	For Non-loanee Farmers
1	Cut off date for risk coverage	Having availed the Loan / Sanctioned Credit Limit by 15 <sup>th</sup> September, 2009	Submission of Proposals on or before 15 <sup>th</sup> September, 2009
2	Submission of Declaration by Nodal Banks/other notified Depts. to Agriculture Insurance Company of India	On or before 15 <sup>th</sup> October, 2009	On or before 30 <sup>th</sup> September, 2009

**9. COVERAGE PROCEDURE:**

- (a) **Insurance Coverage of Loanee Farmers** shall be through the existing network of Financial Institutions at the grass-root level using Nodal Bank systems as in National Agricultural Insurance Scheme (NAIS).
- (b) **Insurance coverage of Non-loanee Farmers** shall be through the existing network of Financial Institutions at the grass-root level; Dept. of Agriculture/Horticulture, the Insurance Intermediaries and Authorized Representative of Agriculture Insurance Company.
- (c) **Nodal Bank Branches** shall be paid by Agriculture Insurance Company of India a service charge of 5% on the actual premium amount remitted by them, being in the nature of sharing the incidental management expenses incurred by them for servicing the Scheme.
- (d) **Operational Modalities** to the Financial Institutions, Insurance Intermediaries etc., would be communicated by Agriculture Insurance Company of India.
- (e) **The assessment of compensation** shall be made on Reference Unit Area basis, but not on Individual basis.

**10. SUM INSURED:**

Sum Insured is equivalent to the total cost of cultivation i.e. Rs.1,50,000/- per hectare in respect of Red Chilly (Irrigated) and Rs.1,00,000/- per hectare for Red Chilly (Unirrigated) crop

Maximum payout will be limited to Sum Insured only.

**Loanee Farmers :** Area under cultivation' for the Notified Crop as already declared by the cultivator in the Loan Application form for the purpose of fixing his "Maximum Borrowing Limit (MBL) "by the Lending Financial Institutions, multiplied by the stipulated Sum Insured per hectare.

**Non-Loanee Farmers:** The Cultivators shall declare the 'area under cultivation' for each Notified Crop in the Insurance Proposal Form. Sum Insured will be equal to the declared area multiplied by sum insured per hectare.

**11. PREMIUM RATE & SUBSIDY:**

Actuarial premium rate i.e. 8.10% will be applicable for Red chilly crop in Guntur district. Premium will be calculated on the basis of Sum Insured.

**Premium sharing and subsidy of the full premium:** Of the Full Premium, only a part i.e., 4.8% of the premium rate shall be payable by the insuring cultivators and the balance shall be borne by the Central Government and State Government on 50:50 basis and paid up-front to Agriculture Insurance Company of India as Premium Subsidy. It is clarified that as far as Agriculture Insurance Company of India is concerned, risk incepts only upon receiving the FULL PREMIUM.

TABLE SHOWING THE PREMIUM SHARING PER ACRE								
Name of the Crop	Sum Insured per Acre Rs./-	Premium Rate	Premium Rs./-	Service Tax Rs./-	Total Premium Rs./-	Subsidy from State Govt. Rs./-	Subsidy from Govt. of India Rs./-	Farmers Contribution Rs./-
Red Chilly Irrigated	60,000	8.10%	4,860	501	5,361	1,092	1,092	3,177
Red Chilly Unirrigated	40,000	8.10%	3,240	334	3,574	728	728	2,118

When the acreage expressed in hectares the conversion shall be adopted

## 12. COMPENSATION PAY-OUT:

Payout computation shall be based on the notified weather parameters and the details of triggers are specified in the term sheet as shown in item 17. Compensation pay out within 45 days from the end of contract period subject to receipt of premium and weather data in time.

**TRIGGER WEATHER:** Trigger Weather is pre-defined and being notified as per annexure – II A & B with reference to the weather parameters and Reference Unit Area as detailed above for the Red Chilly crop and has been fixed so keeping in mind the broad moisture/water or other weather parameter requirement of Red Chilly crop in Guntur District.

## 13. SUBMISSION & STORING OF WEATHER DATA:

Weather data shall be provided by Automatic Weather Station set up by Andhra Pradesh State Disaster Mitigation Society of Planning Department of Government of Andhra Pradesh to Agriculture Insurance Company on day to day basis for the season.

### REFERENCE WEATHER STATION:

This refers to the Automatic Weather Station operating for the particular Reference Unit Area (as detailed in the Annexure I) operating for the relevant Reference Unit Area for generating the Weather Data during the current season based on which payouts are processed.

### BACK-UP WEATHER STATION:

It is a substitute Weather Station to be used only in case the weather data from Reference Weather Station for the current season is unavailable for any reason. Names of both Reference and Back-up Weather Stations are detailed in annexure I.

## 14. PAY-OUT DISBURSEMENT:

- (a) Pay-outs shall normally be made by Agriculture Insurance Company of India to the Nodal Banks within 45 days of closing of insurance period subject to receipt of the necessary actual weather data.



- (b) The Pay-out procedure shall be automatic; and Payouts shall be automatically computed by Agriculture Insurance Company of India on the basis of Actual Weather Data received and the Pay-out shall be automatically credited to the Insured's Bank Account.**

**15. ADMINISTRATION OF THE SCHEME:**

**The Scheme shall be administered by Agriculture Insurance Company of India subject to the discharge of the roles and responsibilities of the other Agencies/Financial Institutions/Govt. Departments/Committees as laid down in the Scheme Document and its Operational Modalities issued by the Government of India in the reference 1<sup>st</sup> read above.**

**16. PUBLICITY & AWARENESS:**

**Department of Agriculture / Horticulture shall take up wide publicity and awareness camps in coordination with Agriculture Insurance Company to popularize the scheme and mobilize coverage of maximum number of loanee and non-loanee farmers.**

**17. TERM SHEET:**

**The term sheet (Annexure II A & B ) contains the details of triggers for deficiency in rainfall, excess rainfall at two different critical stages i.e., flowering and fruit development stages and relative humidity during the months of November and December, 2009, the payout structure etc.**

## Annexure - I

Pilot WBCIS for Chilly Crop in Guntur Dist, Kharif, '09 - RWS &amp; BWS

S.No	Reference Unit Area	Location of RWS of APSDMS	Location of BWS of APSDMS
1	Ponnur	Ponnur	Kakumanu
2	Tadepalli	Tadepalli	Mangalagiri
3	Savalyapuram	Savalyapuram	Vinukonda
4	Mangalagiri	Mangalagiri	Tadepalli
5	Kakumanu	Kakumanu	Ponnur
6	Pedakakani	Pedakakani	Guntur
7	Chebrole	Chebrole	Vatticherukuru
8	Nakarikallu	Nakarikallu	Piduguralla
9	Nuzendla	Nuzendla	Vinukonda
10	Ipur	Ipur	Bollapalli
11	Guntur	Guntur	Tadikonda
12	Rompicherla	Rompicherla	Nakarikallu
13	Thullur	Thullur	Amaravati
14	Vinukonda	Vinukonda	Savalyapuram
15	Pedanandipadu	Pedanandipadu	Kakumanu
16	Narasaraopeta	Narasaraopeta	Muppalla
17	Muppalla	Muppalla	Sattenapalli
18	Phirangipuram	Phirangipuram	Medikonduru
19	Rajupalem	Rajupalem	Bellamkonda
20	Edlapadu	Marripalem	Nadendla
21	Bellamkonda	Bellamkonda	Achampeta
22	Chilakaluripet	Chilakaluripet	Marripalem
23	Amaravati	Amaravati	Pedakurapadu
24	Prathipadu	Prathipadu	Vatticherukuru
25	Vatticherukuru	Vatticherukuru	Chebrole
26	Krosuru	Krosuru	Achampeta
27	Achampeta	Achampeta	Bellamkonda
28	Tadikonda	Tadikonda	Medikonduru
29	Medikonduru	Medikonduru	Phirangipuram
30	Nadendla	Nadendla	Prattipadu
31	Piduguralla	Piduguralla	Machavaram
32	Machavaram	Machavaram	Dachepalli
33	Karempudi	Karempudi	Gurajala
34	Pedakurapadu	Pedakurapadu	Krosuru
35	Dachepalli	Dachepalli	Machavaram
36	Rentachintala	Rentachintala	Macherla
37	Sattenapalli	Sattenapalli	Muppalla
38	Bollapalle	Bollapalle	Ipur
39	Macherla	Macherla	Veldurthi
40	Durgi	Durgi	Macherla
41	Gurajala	Gurajala	Rentachintala
42	Veldurthi	Veldurthi	Durgi

## Annexure-II A

## WEATHER BASED CROP INSURANCE SCHEME (KHARIF 2009) - TERM SHEET

State: ANDHRA PRADESH

District: GUNTUR

Mandal:

Unit: Hectare

Crop: RED CHILLI (Irrigated)

RWS:

Backup Weather Station:

Cover-I: Deficit Rainfall (mm)

Index: Sum of Daily RF over the Period

Phase-I Flowering

Phase-II Fruit Development

Period	16-Sep	to	31-Oct
L1	L2		Payout
	$\geq$ 125		0
125	75		8,000
75	50		16,000
50	$>$		40,000

1-Nov	to	31-Jan
L1	L2	Payout
	$\geq$ 25	0
25	12	5,000
12	5	10,000
5	$>$	25,000

Max. payout: 65,000

Cover-II: Excess Rainfall (mm)

Index: Maximum of Consecutive 2 days RF over the Period

Phase-I Flowering

Phase-II Fruit Development

Period	16-Oct	to	30-Nov
L1	L2		Payout
	$\leq$ 175		0
175	250		6,250
250	325		12,500
325	$<$		25,000

15-Dec	to	28-Feb
L1	L2	Payout
	$\leq$ 125	0
125	150	10,000
150	175	20,000
175	$<$	40,000

Max. Payout: 65,000

Cover-III Relative Humidity (%)

Index: number of consecutive days RH(%)  $>$  85

(multiple events)

Period	1-Nov	to	31-Dec
L1	L2		Payout
$\leq$	10		0
10	20		2,400
20	30		6,000
30	40		10,000
40	$<$		20,000

Max. Payout: 20,000

Maximum Payout in All (Rs):	1,50,000/-
Premium	12,150/-
Premium%	8.1%

## Annexure-II B

## WEATHER BASED CROP INSURANCE SCHEME (KHARIF 2009) - TERM SHEET

State: ANDHRA PRADESH  
State:

District: GUNTUR

Mandal:  
Unit: Hectare

Crop: RED CHILLI (Unirrigated)

RWS:

Backup Weather Station:

**Cover-I: Deficit Rainfall (mm)**

Index: Sum of Daily RF over the Period

Phase-I Flowering

Period	16-Sep	to	31-Oct
L1	L2		Payout
	>=	125	0
125	75		5,250
75	50		10,500
50	>		25,000

Phase-II Fruit Development

Period	1-Nov	to	31-Jan
L1	L2		Payout
	>=	25	0
25	12		3,500
12	5		7,000
5	>		17,500

Max. payout: 42,500

**Cover-II: Excess Rainfall (mm)**

Index: Maximum of Consecutive 2 days RF over the Period

Phase-I Flowering

Period	16-Oct	to	30-Nov
L1	L2		Payout
	<=	175	0
175	250		4,400
250	325		8,750
325	<		17,500

Phase-II Fruit Development

Period	15-Dec	to	28-Feb
L1	L2		Payout
	<=	125	0
125	150		6,250
150	175		12,500
175	<		25,000

Max. Payout: 42,500

**Cover-III Relative Humidity (%)**

Index: number of consecutive days RH(%) &gt; 85 (multiple events)

Period	1-Nov	to	31-Dec
L1	L2		Payout
	<=	10	0
10	20		1,800
20	30		4,500
30	40		7,500
40	<		15,000

Max. Payout: 15,000

Maximum Payout in All (Rs):	1,00,000/-
Premium	8,100/-
Premium%	8.1%

RACHEL CHATTERJEE,  
Principal Secretary to Government.

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